



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 1, 2000

### **H.R. 3605**

### **San Rafael Western Legacy District and National Conservation Act**

*As ordered reported by the House Committee on Resources on May 16, 2000*

#### **SUMMARY**

H.R. 3605 would establish the San Rafael Western Legacy District in Emery County, Utah and would authorize the appropriation of \$1 million a year for a total of up to \$10 million for the Secretary of the Interior to provide grants and technical assistance in support of that district. The bill also would establish the San Rafael National Conservation Area within the district and would authorize the appropriation of sums necessary for the Secretary to manage that area.

CBO estimates that implementing H.R. 3605 would cost \$15 million over the 2001-2005 period, assuming appropriation of the necessary amounts. Because the bill could affect offsetting receipts (a form of direct spending), pay-as-you-go procedures would apply; however, CBO estimates that any such effects would total less than \$500,000 a year. H.R. 3605 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs as a result of the bill's enactment, but these costs would be voluntary.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of establishing and managing the legacy district and conservation area is shown in the following table. The table does not include additional costs that may be incurred after 2005 to implement the management plan that would be developed under H.R. 3605. We estimate that such implementation costs would not exceed \$10 million. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2001	2002	2003	2004	2005
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	3	3	3	3	3
Estimated Outlays	3	3	3	3	3

## **BASIS OF ESTIMATE**

For the purpose of this estimate, CBO assumes that H.R. 3605 will be enacted by the end of fiscal year 2000. We also assume that the necessary funds will be appropriated starting in fiscal year 2001 and that outlays would follow the historical pattern for similar activities.

### **Spending Subject to Appropriation**

CBO estimates that establishing and managing the legacy district and conservation area as defined in this legislation would cost about \$3 million annually. That estimate includes \$1 million authorized by the bill for each year to operate an advisory council and to provide grants and technical assistance to support the legacy district. In addition, based on information from the Bureau of Land Management (BLM), CBO estimates that the agency would spend about \$2 million each year to establish and manage the conservation area. That amount includes the estimated costs of adding staff and administrative services to the area, upgrading and maintaining existing infrastructure and facilities, and preparing the management plan required by the bill.

In addition, we estimate that implementing the management plan after 2005 could cost up to \$10 million, assuming appropriation of the necessary amounts. According to BLM, implementing that plan probably would require the construction of new visitor and interpretive centers, campgrounds, and other facilities. Based on information from the agency, we estimate that those activities would require up to \$10 million in additional funding, some of which could be provided by nonfederal sources. Because the bill would allow the agency to spend four years developing the plan, we expect that any spending to implement it would not occur before 2005.

## **Direct Spending (including offsetting receipts)**

H.R. 3605 would withdraw land in the San Rafael National Conservation Area from mining, mineral leasing, and geothermal leasing, subject to valid existing rights. Enacting those provisions could result in forgone offsetting receipts from the federal land over the next five years if, under current law, the land would generate receipts from mineral and geothermal development. Based on information from BLM, however, we estimate that any such effects would total less than \$500,000 each year. We estimate that other provisions in this bill would have no significant impact on direct spending.

## **PAY-AS-YOU-GO CONSIDERATIONS**

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Because provisions in H.R. 3605 that would withdraw certain lands from mining, mineral leasing, and geothermal leasing could affect offsetting receipts, pay-as-you-go procedures would apply. CBO estimates, however, that any such effects would not be significant.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 3605 contains no intergovernmental mandates as defined in UMRA. The state of Utah and local governments within the state might choose to participate in the planning for and management of these areas, and incur some costs as a result. Such costs would be voluntary, and could be partially offset by federal grants authorized by the bill.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

This bill contains no new private-sector mandates as defined in UMRA.

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